

Message Text

UNCLASSIFIED

PAGE 01 STATE 104221
ORIGIN EB-07

INFO OCT-01 EUR-12 ISO-00 COME-00 /020 R

DRAFTED BY EB/ITP/EWT:BSAMUEL:ABA
APPROVED BY EB/ITP/EWT:HLCLARKE
EUR/EE - GBOUTIN (SUBS)
EB/OMA - CERVIN (SUBS)

-----071741Z 075878 /41

R 070001Z MAY 77

FM SECSTATE WASHDC
TO AMEMBASSY WARSAW
INFO AMEMBASSY BELGRADE
AMEMBASSY BERLIN
AMEMBASSY BUCHAREST
AMEMBASSY BUDAPEST
AMEMBASSY MOSCOW
AMEMBASSY PRAGUE
AMEMBASSY SOFIA

UNCLAS STATE 104221

E.O. 11652: N/A

TAGS: EEWT, EFIN, PL

SUBJECT: JACKSON SUBCOMMITTEE PRINT: "THE RISING SOVIET
AND EAST EUROPEAN DEBT TO THE WEST"

REF: WARSAW 3149

1. THE SUBCOMMITTEE ON INVESTIGATIONS OF THE SENATE
COMMITTEE ON GOVERNMENTAL AFFAIRS HAS ISSUED A PRINT OF FOUR
PREVIOUSLY PUBLISHED ARTICLES:

A) "RISING DEBT OF EAST BLOC NATIONS," INTERNATIONAL HERALD
TRIBUNE, 8 NOVEMBER 1976 (6 PP).

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 104221

B) "CMEA DEBTS MAY BE \$45 MILLION, BUT LOANS HAVE KEPT
FLOWING," EUROMONEY, JANUARY 1977 (4 PP).

C) "SOVIET BLOC BORROWINGS FROM THE WEST SURGE, AMID
MYSTERY AND FEARS," WALL STREET JOURNAL, 22 FEBRUARY 1977
(5 PP).

D) "USSR: HARD CURRENCY TRADE AND PAYMENTS, 1977-78,"
CIA, ER 77-10035 U, MARCH 1977 (13 PP).

2. THIS PRINT WAS OCCASION FOR JACKSON'S STATEMENT
(QUOTED BY U.S. NEWS AND WORLD REPORT) THAT THE ADMINISTRA-
TION SHOULD ANALYZE WHETHER THE WESTERN FINANCIAL SYSTEM
HAS PLACED ITSELF IN JEOPARDY AS A RESULT OF ITS LENDING
POLICIES. JACKSON ADDED QUOTE LARGE-SCALE LOANS TO THE
SOVIET UNION AND THE EAST EUROPEAN COUNTRIES WERE THOUGHT
OF BY SOME AS A WAY TO GAIN "LEVERAGE" OVER THOSE GOVERN-
MENTS; WHAT MAY BE HAPPENING IN FACT IS THAT THE DEBTORS
ARE ON THE VERGE OF OBTAINING LEVERAGE OVER WESTERN GOVERN-
MENTS BY THE SUBSTANTIAL INTEREST IN REPAYMENT THAT THE
WESTERN BANKING SYSTEM MAY BE ACQUIRING. UNQUOTE.

3. WE KNOW OF NO HEARINGS OR CONGRESSIONAL STUDIES PLANNED
ON THIS TOPIC. TWO COPIES OF PRINT WILL BE POUCHED EMBASSY
WARSAW, BUT DEPARTMENT DOES NOT CONSIDER THE FIRST THREE
ARTICLES SUFFICIENTLY AUTHORITATIVE TO WARRANT DISTRIBU-
TION EXCEPT AS EXAMPLES OF PRESS REPORTS AND SENATOR
JACKSON'S INTEREST IN THIS SUBJECT. CHRISTOPHER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PUBLICATIONS, STUDIES, DEBT REPAYMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 07-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE104221
Document Source: CORE
Document Unique ID: 00
Drafter: BSAMUEL:ABA
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770161-0579
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770582/aaaacsxc.tel
Line Count: 84
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: e69c0799-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 77 WARSAW 3149
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 07-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2608431
Secure: OPEN
Status: NATIVE
Subject: JACKSON SUBCOMMITTEE PRINT: "THE RISING SOVIET AND EAST EUROPEAN DEBT TO THE WEST"
TAGS: EEW, EF, PL, US, XH
To: WARSAW
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/e69c0799-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009